

THIRTY-SECOND DAY

(Tuesday, March 11, 1969)

The Senate met at 11:00 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present:

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation.

On motion of Senator Aikin, and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

Leave of Absence

Senator Kennard was granted leave of absence for today on account of important business on motion of Senator Word.

Reports of Standing Committees

Senator Moore submitted the following reports:

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred S. B. No. 430, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred H. B. No. 102, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred S. B. No. 219, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred S. R. No. 55, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred S. B. No. 37, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred S. B. No. 307, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred S. B. No. 179, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred S. B. No. 180, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred S. B. No. 297, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

MOORE, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred S. B. No. 260, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass, but that the Committee Substitute adopted in lieu thereof do pass and be printed.

MOORE, Chairman.

C. S. S. B. No. 260 was read the first time.

Senator Patman submitted the following report:

Austin, Texas,
March 11, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on Agri-

culture and Livestock, to which was referred S. B. No. 284, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

PATMAN, Chairman.

Senator Hall submitted the following report:

Austin, Texas,
March 11, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on County, District and Urban Affairs to which was referred S. B. No. 372, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

HALL, Chairman.
WORD
CONNALLY

Senator Connally submitted the following reports:

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on Parks and Wildlife, to which was referred S. B. No. 170, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

CONNALLY, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on Parks and Wildlife, to which was referred S. B. No. 210, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass as amended and be printed.

CONNALLY, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on Parks and Wildlife, to which was referred S. B. No. 354, have had the same under consideration, and I am in-

structed to report it back to the Senate with the recommendation that it do pass and be printed.

CONNALLY, Chairman.

Austin, Texas,
March 10, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on Parks and Wildlife, to which was referred S. C. R. No. 15, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

CONNALLY, Chairman.

Message From the House

Hall of the House of Representatives
Austin, Texas,
March 11, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

H. C. R. No. 52, Authorizing the Boys Club of Austin to hold their 1969 Art Exhibit for the Southwestern Region, in the Rotunda of the Capitol during the week of March 17-March 21, 1969.

H. B. No. 51, A bill to be entitled "An Act to amend Title 39, Revised Civil Statutes of Texas, 1925, as amended, by adding Article 1824a to authorize the Courts of Civil Appeals to issue writs of habeas corpus; and declaring an emergency."

H. B. No. 336, A bill to be entitled "An Act validating proceedings heretofore had by cities in Texas for the issuance of certain revenue bonds and ad valorem tax bonds; validating bonds to be issued pursuant to such proceedings; authorizing the adoption of proceedings necessary to complete the issuance of such bonds; and declaring an emergency."

H. B. No. 242, A bill to be entitled "An Act transferring control and management of East Texas State University from the Board of Regents, State Senior Colleges to a new body to be called the Board of Regents of East Texas State University; providing for the creation of a Governing Board to be appointed by the Governor and confirmed by the Senate with residential limita-

tions as to board members and their length of term of office; providing for the qualifying of appointees to the board, and its organization; providing for the work and activities to be pursued in said college, and subject to actions of the Governing Board; providing all powers, duties, rights, obligations, and functions of the Board of Regents, State Senior Colleges as these relate to East Texas State University shall be invested in and/or performed by the Board of Regents of East Texas State University on the enactment of this bill into law; providing a repealing clause; and declaring an emergency."

Respectfully submitted,

DOROTHY HALLMAN,
Chief Clerk, House of Representatives

Senate Bills and Resolution on First Reading

The following bills and resolution were introduced, read first time and referred to the Committee indicated:

By Senator Mauzy:

S. B. No. 431, A bill to be entitled "An Act amending Section 36 of the Texas Probate Code relating to the duty and responsibility of county and probate judges; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Mauzy:

S. B. No. 432, A bill to be entitled "An Act amending Section 36 of the Texas Probate Code relating to the duty and responsibility of county and probate judges; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Mauzy:

S. B. No. 433, A bill to be entitled "An Act to amend Article 7258 of the Revised Civil Statutes of the State of Texas by adding thereto a sentence requiring each tax collector to at once file for record with the county clerk of his county a duplicate of any tax receipt issued by such tax collector; and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Mauzy:

S. B. No. 434, A bill to be entitled "An Act relating to the protection of persons who file a claim or aid in filing a claim or testify at hearings

concerning a claim under the Texas Workmen's Compensation Act; and declaring an emergency."

To the Committee on Labor and Management Relations.

By Senator Word:

S. B. No. 435, A bill to be entitled "An Act to authorize and permit transfer annually of any child, other than a high school graduate, who is over six and under 21 years of age, from his resident school district to another Texas district where parent or person having lawful control of child and the receiving district jointly and timely agree in writing to the transfer; providing the State Board of Education shall issue rules and regulations necessary for the administration of this Act and for transfer of State per capita apportionment and other State aid funds to follow the child; permitting the charge of a reasonable tuition fee when prescribed in the transfer agreement; specifically repealing Articles 2696, 2697, 2699, Revised Civil Statutes of Texas, 1925, as amended, and Chapter 127, Acts 44th Legislature, Regular Session, 1935 (codified Article 2922(1) in V.A.C.S.); repealing all other laws or parts of laws in so far as such conflict with this Act; and declaring an emergency."

To the Committee on Education.

By Senator Word:

S. B. No. 436, A bill to be entitled "An Act amending Article 3921 of the Revised Civil Statutes of Texas, 1925, as heretofore amended, pertaining to certain fees to be charged and received by the Banking Commissioner; and declaring an emergency."

To the Committee on Banking.

By Senator Word:

S. B. No. 437, A bill to be entitled "An Act amending Article 14.22, Title 122A, Taxation—General, Revised Civil Statutes of Texas, 1925, as amended by Acts, 1965, 59th Legislature, page 830, Chapter 402, Section 7, relating to the delivery of certain papers of a decedent; repealing all laws in conflict herewith to the extent of such conflict only; and declaring an emergency."

To the Committee on State Affairs.

By Senator Word:

S. B. No. 438, A bill to be entitled "An Act relating to certain cove-

nants of indemnification in contracts or agreements pertaining to construction, alteration, maintenance, or repair of certain improvements to or on real property; providing for severability; and declaring an emergency."

To the Committee on State Affairs.

By Senator Word:

S. B. No. 439, A bill to be entitled "An Act relating to State liability for property damage by certain persons; and declaring an emergency."

To the Committee on State Affairs.

By Senator Herring:

S. B. No. 440, A bill to be entitled "An Act relating to transfer by the Texas Department of Health to the Board of Regents of The University of Texas System of fee simple title and the control and management of certain properties in Bastrop County, Texas; and declaring an emergency."

To the Committee on State Affairs.

By Senator Christie:

S. B. No. 441, A bill to be entitled "An Act amending Senate Bill No. 375, Chapter 194, Page 323, General Laws of the State of Texas, Acts of the Forty-second Legislature, Regular Session, 1931, as amended, which is codified as Article 695a, Vernon's Texas Civil Statutes, by amending Section 4 of said Article; authorizing an increase in the size of the Board; authorizing the establishment of multi-county Child Welfare Boards; clarifying the Board's relationship to the State Department of Public Welfare; fixing an effective date; providing a repealing clause, a savings clause; and declaring an emergency."

To the Committee on Youth Affairs.

By Senator Kennard:

S. B. No. 442, A bill to be entitled "An Act relating to the sale and lease back and renting and leasing and purchase of land, buildings, facilities, or equipment for hospital district purposes in certain counties; and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Kennard:

S. B. No. 443, A bill to be entitled "An Act relating to the sale and lease back and renting or leasing and purchase of land, buildings, facilities, or equipment for hospital district

purposes in certain counties; and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Kennard:

S. B. No. 444, A bill to be entitled "An Act relating to the sale and lease back and renting or leasing and purchase of land, buildings, facilities or equipment for county purposes in any county; and declaring an emergency."

To the Committee on County, District and Urban Affairs:

By Senator Wilson:

S. B. No. 445, A bill to be entitled "An Act relating to abolition of the Parks and Wildlife Department and the transfer of its powers, duties, and functions to two newly established agencies; and declaring an emergency."

To the Committee on State Affairs.

By Senator Wilson:

S. B. No. 446, A bill to be entitled "An Act relating to creation of a new nine-member Parks and Wildlife Commission; amending Sections 1 and 2, Chapter 58, Acts of the 58th Legislature, 1963 (Article 978f-3a, Vernon's Texas Penal Code); and declaring an emergency."

To the Committee on State Affairs.

By Senator Wilson:

S. B. No. 447, A bill to be entitled "An Act amending Chapter II, Article 2, as amended; Chapter II, Article 3, as amended; Chapter II, Article 4, as amended; all of said chapters and articles being a part of the Texas Banking Code of 1943, same being Chapter 97, Acts of the 48th Legislature, Regular Session, 1943; pertaining to the appointment, qualifications, duties and compensation of certain officers and employees of the Banking Department of Texas; providing for severability; providing that all laws or parts of laws which are in conflict with this Act are repealed or modified to the extent of such conflict only; and declaring an emergency."

To the Committee on Banking.

By Senator Snelson:

S. B. No. 448, A bill to be entitled "An Act relating to the compensation of assistants, investigators, and stenographers of the county attorney of

Midland County, Texas; amending Sections 2 and 3 of Chapter 446, Acts of the 56th Legislature, Regular Session, 1959 (Article 331i, Vernon's Texas Civil Statutes); and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Snelson:

S. B. No. 449, A bill to be entitled "An Act authorizing additional regents for public and junior college districts presently operating under the provisions of Article 2815o-1b (Acts of the 58th Legislature, Page 41, Chapter 1, Acts 1963), which have been or may be enlarged by the addition of one or more school districts from adjacent counties, fixing terms of regents, providing for election and appointment of regents, authorizing appointment to fill vacancies, providing said act shall be cumulative of the existing laws, providing partial invalidity shall not affect remainder of Act; and declaring an emergency."

To the Committee on Education.

By Senator Blanchard:

S. B. No. 450, A bill to be entitled "An Act relating to building use fees charged to students enrolled in certain institutions of higher learning; amending Chapter 560, Acts of the 47th Legislature, 1941, as amended (Article 2654c-1, Vernon's Texas Civil Statutes); and declaring an emergency."

To the Committee on Education.

By Senator Blanchard:

S. B. No. 451, A bill to be entitled "An Act amending Chapter 487, Acts of the 54th Legislature, Regular Session, 1955, as amended (Article 2919e-2, Vernon's Texas Civil Statutes), by adding a new Section 15A providing that the Coordinating Board, Texas College and University System shall establish a master plan for certain institutions of higher learning and may contract for professional services and let contracts for construction of buildings and facilities at the institutions; amending the same Act by adding a new Section 16A providing that the Board may issue revenue bonds and use the proceeds for providing financial assistance to certain institutions of higher learning; and declaring an emergency."

To the Committee on Education.

By Senator Kennard:

S. B. No. 452, A bill to be entitled "An Act transferring original jurisdiction in matters of eminent domain from the County Court and the County Court at Law of Tarrant County to the district courts of that county; and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Berry:

S. B. No. 453, A bill to be entitled "An Act relating to the discharge or retirement of employees of the Texas Department of Public Safety by reason of age; amending Section 9, Chapter 181, Acts of the 44th Legislature, 1935 (Article 4413(9), Vernon's Texas Civil Statutes); and declaring an emergency."

To the Committee on State Affairs.

By Senator Berry:

S. B. No. 454, A bill to be entitled "An Act relating to assessment of candidates in primary elections in certain counties and refund of those assessments in certain circumstances; prescribing a penalty for illegal refunds; amending Section 186a, Texas Election Code (Article 13.08a, Vernon's Texas Election Code); and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Berry:

S. B. No. 455, A bill to be entitled "An Act relating to permanent improvements erected at HemisFair 1968; transferring jurisdiction and control to the Board of Regents of The University of Texas System; amending Section 8, Chapter 443, Acts 59th Legislature, Regular Session, 1965, as amended; repealing all laws in conflict; and declaring an emergency."

To the Committee on State Affairs.

By Senator Berry:

S. B. No. 456, A bill to be entitled "An Act amending various sections of the Texas Liquor Control Act (Articles 666-1 through 667-33, Vernon's Texas Penal Code), and adding certain sections, relating to: (1) the definition of 'open saloons'; (2) Package Store Permits; (3) Retail Drink Permits in certain counties; (4) the meaning of an 'all alcoholic beverages' local option status; (5) local option elections and submission of issues;

(6) certain taxes; and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Christie:

S. B. No. 457, A bill to be entitled "An Act to be known as the Texas Uniform Securities Act providing for the regulation of securities transactions and the securities industry; providing for the registration of securities broker-dealers, agents, and investment advisers; for the registration of securities; for exemptions from registration; for denial, suspension, and revocation of registration; for administration by the State Securities Board, the Securities Commissioner, the Attorney General and local law enforcement officials; defining terms; making certain conduct unlawful; providing civil liabilities and criminal penalties for violations; repealing Senate Bill No. 294, Chapter 269, Acts of the 55th Legislature, Regular Session, 1957, as amended (known as the Securities Act); providing a saving clause for pending proceedings or actions; and declaring an emergency."

To the Committee on State Affairs.

By Senator Christie:

S. B. No. 458, A bill to be entitled "An Act to amend the Texas Business Corporation Act, Acts of 1955, 54th Legislature, Chapter 64, as amended, by adding a new Article 5.16 relating to merger of subsidiary or subsidiaries into parent corporation; containing savings and partial invalidity clauses; and declaring an emergency."

To the Committee on Jurisprudence.

(Senator Word in the Chair.)

By Senator Connally:

S. B. No. 459, A bill to be entitled "An Act including Atascosa County under the provisions of the Uniform Wildlife Regulatory Act; amending Section 1 of the Uniform Wildlife Regulatory Act (Article 978j-1, Vernon's Texas Penal Code); and declaring an emergency."

To the Committee on Parks and Wildlife.

By Senator Brooks:

S. B. No. 460, A bill to be entitled "An Act relating to Articles 4594, 4595, and 3840, Revised Civil Statutes of Texas, 1925, as amended; pro-

viding that the operator of any residential house, apartment, duplex or other single or multi-family dwelling, shall have a lien upon all baggage and all other property found therein for all rents due and unpaid by the tenant thereof; providing that such operator shall have the right to take and retain possession of such baggage and other property until the amount of such unpaid rent is paid; and providing that such baggage and other property shall be exempt from attachment or execution to the same extent as set out in Article 4594, regulating baggage liens for hotels, boarding houses, rooming houses, inns, tourist courts and motels; providing for certain exemptions; providing for procedures and means of enforcement; repealing all laws in conflict herewith; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Brooks:

S. B. No. 461, A bill to be entitled "An Act authorizing the Board of Directors of Texas A&M University to acquire all of the assets of South Texas College of Law and to operate the same as a school of law for the use and benefit of the State of Texas as a part of Texas A&M University; repealing all laws in conflict therewith; providing a savings clause; and declaring an emergency."

To the Committee on State Affairs.

By Senator Brooks:

S. B. No. 462, A bill to be entitled "An Act to amend Chapter 601, Acts of the 60th Legislature, Regular Session, 1967 (codified as Article 8280-355, Vernon's Annotated Civil Statutes), by amending Sections 4 and 5 of said Chapter 601 to authorize said Authority to acquire land for park purposes and to develop, finance, manage and regulate the use of parks and park systems; to authorize said Authority to abandon said parks and park lands; to authorize said Authority to employ an executive director and to prescribe his functions and duties; to provide additional procedures for the selection of the board of directors of the Authority and the officers of same; to authorize the board to adopt bylaws; to provide that the Authority's bonds are legal investments and eligible to secure public deposits; to provide for the selection of depositories for the Authority's funds; containing other provisions relating to the subject;

validating all governmental acts and proceedings; providing a severability clause; and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Word:

S. B. No. 463, A bill to be entitled "An Act amending Chapter II, Article 4, as amended; Chapter II, Article 8, as amended; Chapter III, Article 12, as amended; Chapter V, Article 3; Chapter V, Article 4, Subsection 2(b), as amended; Chapter V, Article 6; Chapter V, Article 7, as amended; Chapter VI, Article 2; Chapter VI, Article 6, as amended; all of said Chapters and Articles being a part of the Texas Banking Code of 1943, same being Chapter 97, Acts of the 48th Legislature, Regular Session, 1943; relating to qualifications of state bank examiners; providing for examination of state banks; pertaining to stock option plans for state banks; relating to the investment and leasing powers of state banks; limiting the authority of state banks to make certain loans upon the security of real estate or to invest funds in obligations secured by real estate; relating to the acquisition of their shares of stock by state banks for the purpose of fulfilling stock option plans; pertaining to limits of indebtedness or liability to any state bank and exceptions to such limits; relating to limits on indebtedness or liability of state banks and exceptions to such limits; relating to the cash reserves of state banks and providing punishment for violations; providing for severability; providing that all laws or parts of laws which are in conflict with this Act are repealed or modified to the extent of such conflict only; and declaring an emergency."

To the Committee on Banking.

By Senator Word:

S. B. No. 464, A bill to be entitled "An Act amending Subdivision 16, Article 1995, Revised Civil Statutes of Texas, 1925, relating to venue in divorce proceedings; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Aikin:

S. B. No. 465, A bill to be entitled "An Act amending the Mental Health and Mental Retardation Act to redefine 'local agency'; providing for designation by the Governor of the

Chairman of the Board of Mental Health and Mental Retardation; relating to responsibility for governing community centers; relating to State grants-in-aid; providing for annual audits; and declaring an emergency."

To the Committee on State Departments and Institutions.

By Senator Herring:

S. B. No. 466, A bill to be entitled "An Act relating to the acquisition of interests in investment trusts and mutual funds by trustees; amending Subsection A, Section 46, Chapter 148, Acts of the 48th Legislature, 1943, as amended (Article 7425b-46, Vernon's Texas Civil Statutes); and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Herring:

S. B. No. 467, A bill to be entitled "An Act amending Subdivision (a) of Section 241 of the Texas Probate Code, pertaining to the compensation of executors and administrators; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Herring:

S. B. No. 468, A bill to be entitled "An Act declaring that the Uniform Common Trust Fund Act shall for all purposes be considered a portion of the Texas Trust Act; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Herring:

S. B. No. 469, A bill to be entitled "An Act amending Section 33.04 of the Business and Commerce Code; providing that signatures may be guaranteed by any incorporated bank in the United States or any member of the New York Stock Exchange or officers or agents thereof; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Herring:

S. B. No. 470, A bill to be entitled "An Act amending Section 33.09 of the Texas Business and Commerce Code to make certain that National Banking Associations are included thereunder; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Herring:

S. B. No. 471, A bill to be entitled "An Act relating to the Rule Against Perpetuities; providing that no in-

terest in property is either void or voidable if and to the extent that it can be reformed or construed within the limits of the Rule; authorizing the Courts of this State to make such reformation, if need be, within the limits of the *cy pres* doctrine; prescribing the applicability of the Act; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Herring:

S. B. No. 472, A bill to be entitled "An Act relating to the transfer of certain land by the Board of Regents, State Senior Colleges, to the United States; and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Schwartz:

S. B. No. 474, A bill to be entitled "An Act pertaining to the administration and financing of public school education in the State of Texas; providing for a system of state supported educational programs and the requirements necessary for participation therein; providing for the manner in which the public school program shall be financed; providing for the school fund and allocations thereto; providing for a revision in the scholastic census; repealing all laws in conflict; providing for severability; and declaring an emergency."

To the Committee on Education.

By Senator Schwartz:

S. B. No. 475, A bill to be entitled "An Act pertaining to state and local organization for administration of public school administration; creating the State Board for Vocational-Technical Education; conforming State Board of Education member districts to congressional district boundaries; providing for regional branch offices for the Texas Education Agency; providing for the termination of state supported county school offices; providing for the reorganization of local school districts; providing for community educational systems; providing for severance pay for persons displaced by reorganization; providing for incentive aid for school district consolidation; repealing all laws in conflict; providing for severability; and declaring an emergency."

To the Committee on Education.

By Senator Schwartz:

S. B. No. 476, A bill to be entitled

"An Act establishing guidelines for professional consultation between teachers and school boards; revising the provisions pertaining to continuing teacher contracts; revising the provisions pertaining to certification of teachers; providing a basic work-week for teachers; providing for a plan of state supported sick leave for school employees; providing for studies of compensation requirements and employee benefits; providing for a state supported developmental leave program; providing for developmental program for future teacher training; providing for developmental program internships; repealing all laws in conflict; providing for severability; and declaring an emergency."

To the Committee on Education.

By Senator Schwartz:

S. B. No. 477, A bill to be entitled "An Act revising the provisions pertaining to the public school textbook and educational materials program; repealing all laws in conflict; providing for severability; and declaring an emergency."

To the Committee on Education.

By Senator Blanchard:

S. J. R. No. 25, Proposing an amendment to Article VII, Constitution of the State of Texas, by adding a Section 19 providing for the issuance and sale of bonds of the State of Texas by the Coordinating Board, Texas College and University System to establish the Coordinating Board Fund to be used to provide financial assistance to state institutions of higher learning.

To the Committee on Constitutional Amendments.

Bill and Resolution Signed

The Presiding Officer announced the signing by the President in the presence of the Senate after the captions had been read, the following enrolled bill and resolution:

H. B. No. 141, A bill to be entitled "An Act prohibiting the engaging in certain disruptive activities or disrupting a lawful assembly on the campus or property of private or public schools or institutions of higher education or public vocational and technical schools or institutes; prescribing certain penalties; and declaring an emergency."

S. C. R. No. 27, Expressing appreciation to Major General Frank E. Rouse for his service to the citizens of Texas and the Nation.

House Concurrent Resolution 49 on Second Reading

The Presiding Officer laid before the Senate the following resolution:

H. C. R. No. 49, Congratulating the American Legion on its 50th Anniversary.

The resolution was read.

On motion of Senator Bridges and by unanimous consent, the resolution was considered immediately and was adopted.

(President in the chair.)

Senate Bill 407 Re-referred

On motion of Senator Aikin and by unanimous consent, S. B. No. 407 will be withdrawn from the Committee on Education and re-referred to the Committee on Finance.

Senate Bill 430 Ordered Not Printed

Senator Mauzy asked unanimous consent that S. B. No. 430 be ordered not printed.

There was objection.

Senator Mauzy then moved that S. B. No. 430 be ordered not printed.

The motion prevailed by the following vote:

Yeas—29

Aikin	Herring
Bates	Hightower
Bernal	Jordan
Berry	Mauzy
Blanchard	McKool
Bridges	Moore
Brooks	Patman
Christie	Ratliff
Cole	Schwartz
Connally	Snelson
Creighton	Strong
Hall	Watson
Harrington	Wilson
Harris	Word
Hazlewood	

Nays—1

Grover

Absent—Excused

Kennard

Senate Resolution 55 Ordered Not Printed

On motion of Senator Hazlewood and by unanimous consent S. R. No. 55 was ordered not printed.

Bill Signed

The President signed in the presence of the Senate after the caption had been read, the following enrolled bill:

S. B. No. 94, A bill to be entitled "An Act relating to the purchase of certain firearms and accessories by residents of Texas in states contiguous to Texas; and declaring an emergency."

House Concurrent Resolution 52 on Second Reading

The President laid before the Senate the following resolution:

H. C. R. No. 52, Authorizing the Boys Club of Austin to hold their 1969 Art Exhibit for the Southwestern Region, in the Rotunda of the Capitol during the week of March 17-March 21, 1969.

The resolution was read.

On motion of Senator Herring and by unanimous consent, the resolution was considered immediately and was adopted.

Senate Bill 208 on Second Reading

Senator Cole moved that Senate Rules 110, 13, and 36 and Section 5 of Article III of the State Constitution be suspended and that S. B. No. 208 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—30

Aikin	Creighton
Bates	Grover
Bernal	Hall
Berry	Harrington
Blanchard	Harris
Bridges	Hazlewood
Brooks	Herring
Christie	Hightower
Cole	Jordan
Connally	Mauzy

McKool	Snelson
Moore	Strong
Patman	Watson
Ratliff	Wilson
Schwartz	Word

Absent—Excused

Kennard

The President laid before the Senate on its second reading and passage to engrossment:

S. B. No. 208, A bill to be entitled "An Act removing the exemption of handicapped from compulsory school attendance requirements if adequate educational facilities exist in the state, and providing for reporting by school districts of the number of handicapped children for which they have no facilities; amending Article 2893, Revised Civil Statutes of Texas, 1925, as amended; and declaring an emergency."

The bill was read second time and was passed to engrossment.

Senate Bill 208 on Third Reading

Senator Cole moved that Senate Rule 30 and the Constitutional Rule requiring bills to be read on three several days be suspended and that S. B. No. 208 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

Senate Bill 15 on Second Reading

Senator Hightower moved that Senate Rules 110, 13 and 36 and Section 5 of Article III of the State Constitution be suspended and that S. B. No 15 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

The President laid before the Senate on its second reading and passage to engrossment:

S. B. No. 15, A bill to be entitled "An Act amending Article 1688, Revised Civil Statutes of Texas, 1925, by deleting the provisions restricting the use of the county free library to white persons; and declaring an emergency."

The bill was read second time.

Senator Hightower offered the following amendment to the bill:

Amend S. B. 15, Section 2, by changing the period at the end of such section to a comma and adding: "and that this Act take effect and be in force from and after its passage, and it is so enacted."

The amendment was read and was adopted.

The bill as amended was passed to engrossment.

Senate Bill 15 on Third Reading

Senator Hightower moved that Senate Rule 30 and the Constitutional

Rule requiring bills to be read on three several days be suspended and that S. B. No. 15 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

Message From the House

Hall of the House of Representatives
Austin, Texas,
March 11, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

H. B. No. 112, A bill to be entitled "An Act relating to days designated as legal holidays; amending Article 4591, Revised Civil Statutes of Texas, 1925, as amended; and declaring an emergency."

Respectfully submitted,

DOROTHY HALLMAN,
Chief Clerk, House of Representatives

Notice of Executive Session

Senator Word gave notice that he would on Wednesday, March 12, 1969, move for an Executive Session for 12:00 o'clock M.

Senate Bill 27 on Second Reading

Senator Bates moved that Senate Rules 110, 13, and 36 and Section 5 of Article III of the State Constitution be suspended and that S. B. No. 27 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

The President laid before the Senate on its second reading and passage to engrossment:

S. B. No. 27, A bill to be entitled "An Act amending, revising and repealing in part, Articles I and II of the Texas Liquor Control Act (Article 666-1 to 667-33, Vernon's Texas Penal Code), to improve its administration and enforcement; providing for severability; providing for repeal of laws in conflict; and declaring an emergency."

The bill was read second time.

Senator Bates offered the following Committee Amendment to the bill:

Amend S. B. 27 by striking all below the enacting clause and substituting the following:

Sec. 1. Subsection 5, Section 12(a), Article I, Texas Liquor Control Act, as added by Section 13, Chapter 448, Acts of the 45th Legislature, Regular Session, 1937 (Article 666-12a, Vernon's Texas Penal Code), is amended to read as follows:

"(5). Records of all violations of this Act by holders of licenses and permits and records introduced and made public at hearings, and decisions resulting therefrom relating to such violations shall be kept on file at the office of the Liquor Control Board at Austin, Texas, and such records shall be open to the public. The private records of any person, permittee or licensee (which shall be any records except the name, proposed location, and type of permit or license sought in any application for a permit or license or any renewal thereof, any periodic report covering the importation, distribution, or sale of any alcoholic beverages required by the Board to be regularly filed by a permittee or licensee) which are required or obtained by the Liquor Control Board or its agents in connection with any investigation, or otherwise, shall be privileged, unless introduced in evidence in a hearing before the Board or any court in this State or the United States. In all suits by the State or Board or in which the State or Board is a party or parties, a transcript from the papers, books, records, and proceedings of the Board purporting to contain a true statement of accounts between the Board or the State and any person, and all rules, regulations, orders, audits, bonds, contracts, or other instruments relating to or connected with any transaction had between the Board and any person, when certified by the Administrator or Chairman of the Board to be true copies of the originals on file with the Board and authenticated under the seal of the Board shall be admitted as prima facie evidence of their existence and validity and shall be entitled to the same degree of credit that would be due to the original papers if produced and proved in Court; but when any suit is brought upon a bond or other written instrument, executed by any person and

he shall by plea under oath deny the execution of such instrument, the Court shall require the production and proof of the same.

"In the event the Attorney General shall file suit or claim for taxes and attach or file as an exhibit any report or audit of said permittee or licensee, and an affidavit made by the Administrator or his representative that the taxes shown to be due by said report or audit are past due and unpaid, that all payments and credits have been allowed, then, unless the party resisting the same shall file an answer in the same form and manner as required by Article 3736, Revised Civil Statutes of Texas, of 1925, as amended by Chapter 239, Acts of the Regular Session of the Forty-Second Legislature, said audit or report shall be taken as prima facie evidence thereof; and the proceedings of said Article are hereby made applicable to suits to collect taxes hereunder.

"A certificate under the seal of the Board executed by any member or the Administrator setting forth the terms of any order, rule, regulation, bond, or other instrument referred to in this Section and that the same has been adopted, promulgated, and published or executed and filed with the Board and was in force and effect at any date or during any period specified in such certificate, shall be prima facie evidence of all such facts, and such certificate shall be admitted in evidence in any action, civil or criminal, involving such order, rule, and regulation and the publication thereof, without further proof of such promulgation, adoption, or publication and without further proof of its contents and the same provision shall apply to any bond or other instrument referred to in this Section."

Sec. 2. Article I, Texas Liquor Control Act (Articles 666-1 to 666-57, Vernon's Texas Penal Code), is amended by adding a new Section 12(b) to read as follows:

"Section 12(b). Regardless of any other provision of the Texas Liquor Control Act, the Board or Administrator may, for a first offense, cancel, or suspend for a period of time not to exceed sixty (60) days, after notice and hearing, any retail permit or license or any private club registration permit granted under the provisions of the Texas Liquor Control Act upon finding that the Permittee or Licensee, his agent, ser-

vant, or employee, has knowingly sold, served, dispensed, or delivered any alcoholic beverages to any person under the age of twenty-one (21) years, or has permitted any person under the age of twenty-one (21) years, who is not accompanied by his parent, legal guardian, or adult spouse, to possess (unless such underage person is an employee of a Licensee or Permittee as permitted in the Texas Liquor Control Act) or consume any alcoholic beverage on his licensed premises. For the second such offense such permit or license may be cancelled, or suspended for a period of time not to exceed three (3) months. For a third such offense within a period of thirty-six (36) consecutive months, such permit or license may be cancelled or suspended for a period of time not to exceed twelve (12) months.

"Provided, however, that if, at a hearing held for such purpose, such Permittee or Licensee establishes to the satisfaction of the Board or Administrator that the violation complained of occurred under such circumstances as could not have reasonably been prevented by such Permittee or Licensee with the exercise of due diligence or that the Permittee or Licensee was entrapped, or that an agent, servant, or employee of such Permittee or Licensee has violated the provisions of this Section without the knowledge of the Permittee or Licensee, then the Board or Administrator shall have the authority to relax the provisions of this Section concerning suspension and cancellation of the permit or license and to assess such sanctions as the Board or Administrator may deem just under the circumstances."

Sec. 3. Section 16, Article I, Texas Liquor Control Act, as amended by Section 21, Chapter 448, Acts of the 45th Legislature, Regular Session, 1937 (Article 666-16, Vernon's Texas Penal Code), is amended to read as follows:

"Section 16. All bonds required by this Act shall be executed by surety company duly authorized and qualified to do business in this State. The Board shall not cancel any surety bond until said surety company shall have paid and discharged in full all of its liability upon said bond to the State to the date of said cancellation. The holders of all permits, except carriers and wine and beer retailers, shall be required to make bonds in sums of not less than

One Thousand Dollars (\$1,000) and not exceeding Twenty-Five Thousand Dollars (\$25,000).

"The Board in its discretion may fix the amount of bond which shall be required for each class of permittees. All bonds required of permittees shall be payable to the State of Texas conditioned that so long as the applicant holds such permit unrevoked he will not violate any of the laws of this State relative to the traffic in, transportation, sale, or delivery of liquor or any of the valid rules or regulations of the Board, and in the case of such permittees as are required to account for taxes and fees that such permittees will account for and pay all permit fees and taxes levied by this Act. All bonds required of permittees shall be payable in Travis County, Texas. In all instances where other permits are required, incidental to the operation of a business for which a basic permit is procured, the Board may in its discretion accept one bond to support all such permits and in such amounts as it may require. No bond shall be required of any retail licensee or retail permittee who is not responsible for the primary payment of any alcoholic beverage excise tax to the State of Texas."

Sec. 4. Subsection (5), Section 17, Article I, Texas Liquor Control Act, as last amended by Section 1, Chapter 681, Acts of the 59th Legislature, Regular Session, 1965 (Article 666-17, Vernon's Texas Penal Code), is amended to read as follows:

"(5). It shall be unlawful for any person to employ anyone under twenty-one (21) years of age to sell, handle, transport, or dispense or to assist in selling, handling, transporting or dispensing any liquor, except malt liquor and ale, which employees shall be at least eighteen (18) years of age; provided further that any person eighteen (18) years of age or over may be employed by the holder of any type of Wholesaler's Permit to work in any capacity, except as the holder of an agent's permit, either on or off the licensed premises; and provided further that any person sixteen (16) years of age or over may be employed by the holder of a Wine Only Package Store Permit to work in any capacity on the licensed premises. Except as to the age of employees, the holder of a Wine Only Package Store Permit shall be subject to all other

restrictions and penalties set out in Section 17(b) of Article I of the Texas Liquor Control Act which are applicable to the holder of a package store permit."

Sec. 5. Subsection (14), Section 17, Article I, Texas Liquor Control Act, as last amended by Section 1, Chapter 681, Acts of the 59th Legislature, Regular Session, 1965 (Article 666-17, Vernon's Texas Penal Code), is amended to read as follows:

"14(a) It shall be unlawful for any person under the age of twenty-one (21) years to purchase any alcoholic beverage, and upon conviction thereof shall be fined in a sum of not less than Twenty-Five Dollars (\$25) or more than One Hundred Dollars (\$100). It shall further be unlawful for any person under the age of twenty-one (21) years to possess unless such person under the age of twenty-one (21) years be a bona fide employee, as permitted elsewhere in this Act, on the licensed premises where such alcoholic beverage is possessed, or to consume any alcoholic beverage unless at the time of such possession or consumption such person under the age of twenty-one (21) years is accompanied by his or her parent, guardian, adult husband or adult wife, or other adult person into whose custody he or she has been committed for the time by some Court, who is actually, visibly and personally present at the time such alcoholic beverage is possessed or consumed by such person under the age of twenty-one (21) years, and upon conviction thereof shall be fined in a sum of not less than Twenty-five Dollars (\$25) or more than Two Hundred Dollars (\$200); provided that for a second and all subsequent offenses such persons upon conviction thereof, shall be fined in a sum of not less than One Hundred Dollars (\$100) nor more than Five Hundred Dollars (\$500).

"(b) It shall be unlawful to purchase an alcoholic beverage for or give, or knowingly make available, an alcoholic beverage to a person under the age of twenty-one (21) years, unless the purchaser, person making available, or giver is the parent, legal guardian, adult husband or adult wife of the person for whom the alcoholic beverage is purchased, made available, or to whom it is given. A person who violates a provision of this paragraph is guilty of a mis-

demeanor and upon conviction is punishable by a fine of not less than One Hundred Dollars (\$100) or more than Five Hundred Dollars (\$500).

"(c) It shall be further unlawful for any parent, legal guardian, adult husband, or adult wife or a person under twenty-one (21) years of age to purchase for, or knowingly make available to, or give to, any person under twenty-one (21) years of age any alcoholic beverage except for consumption in the actual, visible and personal presence of said parent, legal guardian, or adult husband, or adult wife. A person who violates a provision of this paragraph is guilty of a misdemeanor and upon conviction is punishable by a fine of not less than One Hundred Dollars (\$100) or more than Five Hundred Dollars (\$500).

"(d) It shall be further unlawful for any person under the age of twenty-one (21) years to make a false statement to the effect that he or she is twenty-one (21) years old or older, or to present any identification or document indicating that he or she is twenty-one (21) or older, to any person engaged in the selling or serving of alcoholic beverages. A person who violates a provision of this paragraph is guilty of misdemeanor and upon conviction is punishable by a fine of not less than Twenty-five Dollars (\$25) nor more than Two Hundred Dollars (\$200); provided that for second and all subsequent offenses such persons upon conviction thereof, shall be fined in a sum of not less than One Hundred Dollars (\$100) nor more than Five Hundred Dollars (\$500).

"(e) No person under twenty-one (21) years of age may plead guilty to any offense described in Subdivision (a) of this Subsection except in open court before the Judge. No such minor shall be convicted of such an offense or fined as provided in Subdivision (a) except in the presence of his parent or guardian having legal custody of the minor. The Court shall cause the parent or guardian residing within its jurisdictional limits to be summoned to appear in Court and shall require the parent or guardian to be present during all proceedings in the case. However, the Court may waive the requirement of the presence of the parent or guardian in any case in which, after diligent ef-

fort, the Court is unable to locate them or compel their presence. The Court shall give written notice of such offense to the parent or guardian having legal custody of such minor who resides outside the jurisdictional limits of the Court."

Sec. 6. Section 25, Article I, Texas Liquor Control Act, as last amended by Section 3, Chapter 85, Acts of the 60th Legislature, Regular Session, 1967 (Article 666-25, Vernon's Texas Penal Code), is amended to read as follows:

"Section 25. It shall be unlawful for any person to sell or deliver any liquor:

"(a) Between 9:00 o'clock p.m. of any day and 10:00 o'clock a.m. of the following day of any day except Sunday, provided, however, that nothing in this section shall prevent a wholesaler from making sales and deliveries to retailers between the hours of 7:00 o'clock a.m. and 9:00 o'clock p.m. Provided, further, that any person holding more than one Package Store Permit shall be privileged to transfer alcoholic beverages between any of his licensed premises in the same county under such rules and regulations as may be prescribed by the Board, at any time between the hours of 7:00 o'clock a.m. and 9:00 o'clock p.m. on any day when the sale of such alcoholic beverage is legal, provided that he be the holder of a Local Cartage Permit.

"(b) On Christmas Day.

"(c) On Sundays."

Sec. 7. Section 26, Article I, Texas Liquor Control Act, as amended by Section 34, Chapter 448, Acts of the 45th Legislature, Regular Session, 1937 (Article 666-26, Vernon's Texas Penal Code), is amended to read as follows:

"Section 26. (a) It shall be unlawful for the holder of any permit under this Act to employ anyone to sell liquor who is under the age of twenty-one (21) years.

"(b) It shall further be unlawful for any person knowingly to sell any liquor or beer to any person under twenty-one (21) years of age, or to any person who is intoxicated, or to any habitual drunkard, or to any insane person. If any person under the age of twenty-one (21) years falsely represents his or her age to be twenty-one (21) years or older at the time of such purchase by displaying an ap-

parently valid Texas Operator's License containing a physical description consistent with the appearance of said person under the age of twenty-one (21) years for the purpose of inducing the sale of such alcoholic beverage, the person making such sale shall not be guilty of violation under any provision of the Texas Liquor Control Act. Any person who violates any provision of this paragraph shall be deemed guilty of a misdemeanor and upon conviction for a first offense shall be punished by a fine of not less than One Hundred Dollars (\$100) nor more than Five Hundred Dollars (\$500), or by imprisonment in the county jail for not more than one year, or by both such fine and imprisonment, and for a second or subsequent offense shall be punished by a fine of not less than Five Hundred Dollars (\$500) nor more than One Thousand Dollars (\$1,000), or by imprisonment in the county jail for not more than one year, or by both such fine and imprisonment."

Sec. 8. Section 30, Article I, Texas Liquor Control Act, as last amended by Section 8, Chapter 543, Acts of the 51st Legislature, Regular Session, 1949 (Article 666-30, Vernon's Texas Penal Code), is amended to read as follows:

"Section 30 (a) All alcoholic beverages and the containers thereof, and any device in which the alcoholic beverage is packaged, which have been seized by an agent or employee of the Texas Liquor Control Board, or by any peace officer as provided in Section 42, shall be turned over to the Board for immediate public or private sale in such place or manner as it may deem best; provided, further, that any bill of sale executed by the Board or Administrator shall convey a good and valid title to the purchaser as to any such property sold. No alcoholic beverages unfit to be sold for public consumption, or of illicit manufacture, may be sold by the Board, but may be destroyed by the Board.

"Any property or equipment forfeited to the State as provided in Section 42 may also be sold by the Board at public or private sale in such place or manner as it may deem best.

"Provided, however, any beer, its containers or original packages which may be seized under the terms of the

Texas Liquor Control Act shall be disposed of as follows:

"Upon being notified that any beer has been seized, the Board shall immediately notify a holder of a General or Local Distributor's License who handles the brand of beer seized and who operates in the county where said beer was seized. If the beer was seized in a dry area, either the Distributor operating nearest said area handling the brand or the Manufacturer brewing said beer shall be notified. The Board and the Distributor or Manufacturer so notified shall jointly determine and agree as to whether or not said seized beer is in a salable condition. If said beer is determined not to be in a salable condition it shall be immediately destroyed by the Board. If said beer is determined to be in a salable condition it shall be offered for sale to the Distributor or Manufacturer so notified. If offered to a Distributor, it shall be at the Distributor's cost price, less any state taxes if theretofore paid on such beer, F.O.B. its place of business, or if offered to a Manufacturer the price shall be the cost price to its nearest Distributor, less any state taxes if theretofore paid on such beer, F.O.B. said nearest Distributor's place of business, but the storage or warehousing charges necessarily incurred as a result of the seizure shall in all cases be added to such cost price.

"Should said Distributor or Manufacturer not exercise the right to purchase any salable beer or any returnable bottles, containers or packages at their deposit price within ten (10) days, then the Board shall proceed to sell same at public or private sale as hereinabove provided.

"Any liquor, its containers or original packages which may be seized under the terms of the Texas Liquor Control Act shall be disposed of as follows:

"Upon being notified that any liquor has been seized, the Board shall immediately notify a holder of a Wholesaler's Permit or a General Class B or Local Class B Wholesaler's Permit who handles the brand of liquor seized and who operates in the county where said liquor was seized. If the liquor was seized in a dry area, the Wholesaler operating nearest said area handling the brand shall be notified. The Board and the Wholesaler so notified shall jointly determine and agree as to

whether or not said seized liquor is in a salable condition. If said liquor is determined not to be in a salable condition, it shall be immediately destroyed by the Board. If said liquor is determined to be in a salable condition, it shall first be offered for sale to the Wholesaler so notified. If offered to a Wholesaler, it shall be at the Wholesaler's cost price, F.O.B. its place of business, plus any storage or warehousing charges necessarily incurred as a result of the seizure.

"Should said Wholesaler not exercise the right to purchase any salable liquor, containers or packages at the price specified above within ten (10) days, then the Board shall proceed to sell same at public or private sale as hereinabove provided.

"The provisions herein above contained shall not prevent the Board from exercising its discretion in the event that illicit alcoholic beverages have been seized as the result of an accidental shipment or other reasonable mistake; under such circumstances the Board may issue such orders and make such disposition of the alcoholic beverages as to it seems just and reasonable.

"In the event the United States Government shall provide any plan or method whereby illicit alcoholic beverages and other property seized or belonging to or forfeited to the State shall be sold at ceiling prices during a national emergency, the Board shall have the right to comply with Federal law or regulations in the sale or disposal of such illicit alcoholic beverages or other property, even to the extent of partially or wholly abrogating any provisions hereof which may be in conflict with the Federal law or regulations.

"(b) The proceeds of the sale of seized alcoholic beverages, containers thereof, and devices in which the alcoholic beverages are packaged shall be placed in escrow in a suspense account set up by the Board for such purpose pending the outcome of the forfeiture suit as provided in Section 42, Article I. Proceeds in escrow which are not forfeited to the State as the result of suit shall be refunded to the alleged violator.

"The proceeds from any forfeiture sale and any proceeds held in escrow by the Board upon entry of a judgment forfeiting same to the State shall be disposed of as follows:

"Thirty-five percent (35%) of all moneys derived from the sale of alcoholic beverages, containers, any device in which said alcoholic beverages are packaged, or property, as authorized in this Act shall be placed in a separate fund in the State Treasury to be designated as the Confiscated Liquor Fund, and thereafter all moneys in said fund shall be available to the Board to defray the expenses, and it is hereby appropriated for said purpose of purchasing and accumulating evidence as to violations of the provisions of this Act, and to defray the expenses incurred in assembling, storing, transporting, selling and accounting for said confiscated alcoholic beverages, containers, devices and property and for any other purpose deemed necessary by the Board in administering and enforcing the provisions of the Texas Liquor Control Act. Any unexpended portion of said fund at the end of each biennium shall remain in said fund subject to further appropriation for such purposes. Sixty-five percent (65%) of all moneys derived from the sale herein referred to shall be deposited in the General Fund of the State of Texas.

"As to liquors confiscated by representatives of the Board, or any peace officer, it shall be incumbent upon the officer making the seizure to list each and every item or items so confiscated and the place and name of owner, operator, or person from whom such seizure is made. Such report shall be made in quadruplicate, two (2) copies of which shall be verified by oath; one (1) verified copy shall be retained in the permanent files of the Texas Liquor Control Board or other agency making the seizure, and one (1) verified copy shall be filed with the Comptroller of the State of Texas, which shall constitute a permanent file, and both of which shall be subject to inspection by any Member of the Legislature or any duly authorized law enforcement agency of the State of Texas, and one (1) copy shall be delivered to the owner, operator, or person from whom such seizure is made. A false statement of said confiscated alcoholic beverage, or other personal property shall be punishable as now provided for false swearing. Any failure on the part of the peace officer making such seizures to file said reports shall constitute a misdemeanor and upon conviction thereof

he shall be fined not more than One Hundred Dollars (\$100) nor less than Fifty Dollars (\$50) or shall be confined in jail not less than ten (10) days nor more than ninety (90) days or by both such fine and imprisonment. It shall be the duty of the Texas Liquor Control Board and its agents to see that said reports are made by said peace officers. Should the State illegally seize and sell any alcoholic beverages, the person legally entitled to possession of the alcoholic beverages at the time of the illegal seizure shall be entitled to recover from the State the fair market value of the alcoholic beverages illegally seized and sold; such reimbursement shall be paid out of the proceeds held in escrow from the sale of such illegally seized alcoholic beverages, and to the extent further necessary from the Confiscated Liquor Fund."

Sec. 9. Section 31, Article I, Texas Liquor Control Act, as last amended by Section 38, Chapter 448, Acts of the 45th Legislature, Regular Session, 1937 (Article 666-31, Vernon's Texas Penal Code), is amended to read as follows:

"Section 31. It shall be the duty of all peace officers of this State, including city, county and State, to enforce all provisions of the Texas Liquor Control Act and to cooperate with and assist the Board in detecting violations of the Texas Liquor Control Act and apprehending offenders, and of county courts, in cases of violation to make recommendations to the Board for revocation or suspension of permits and licenses. Any person who violates any provision of the Texas Liquor Control Act may be arrested without a warrant by any representative of the Board or any peace officer of this State who has observed the violation. Whenever any officer or representative of the Board shall arrest any person for violation of any provision of the Texas Liquor Control Act or of any rule or regulation of the Board, such officer shall take into his possession all illicit beverages which the person so arrested has in his possession or on his premises."

Sec. 10. Article I, Texas Liquor Control Act (Articles 666-1 to 666-57, Vernon's Texas Penal Code), is amended by adding a new Section 41(b), to read as follows:

"Section 41(b). The penalty of any suspension or cancellation against a Retail Dealer provided for in the Texas Liquor Control Act shall be as-

sessed against the permit or license covering the premises where the offense was committed, except as to a violation of the credit or cash law.

"If any holder of a permit or retail off-premise license under the Texas Liquor Control Act establishes to the satisfaction of the Texas Liquor Control Board or to the Administrator that any violation of the Texas Liquor Control Act complained of occurred under such circumstances as could not reasonably have been prevented by such permittee or licensee with the exercise of due diligence, or that such permittee or licensee was entrapped, or that an agent, servant, or employee of such permittee or licensee has violated any provision of the Texas Liquor Control Act without the knowledge of such permittee or licensee, or the violation complained of was a technical violation, or that such permittee or licensee did not knowingly violate the provisions of the Texas Liquor Control Act, then the Board or Administrator shall have the authority to relax any provision concerning suspension or cancellation of the permit or retail off-premise license and to assess such sanction as the Board or Administrator may deem just under the circumstances, and such permit or retail off-premise license may, in the discretion of the Board or Administrator be reinstated at any time during the period of suspension upon payment by such offending permittee or licensee of a fee of not less than Fifty Dollars (\$50) nor more than Five Hundred Dollars (\$500). Any money received by the Board under this Section shall be deposited in the Confiscated Liquor Fund, authorized in Section 30 of Article I."

Sec. 11. Section 42, Article I, Texas Liquor Control Act, as last amended by Section 10, Chapter 543, Acts of the 51st Legislature, Regular Session, 1949 (Article 666-42, Vernon's Texas Penal Code), is amended to read as follows:

"Section 42. (a) All illicit beverages as defined by this Act together with the containers and any device in which the beverage is packaged, and any wagon, buggy, automobile, water or aircraft, or any other vehicle, used for the transportation of any illicit beverage, or any equipment designed to be used or which is used for illicit manufacturing of beverages, or any material of any kind which is to be used in the manufacturing of illicit

beverages, may be seized with or without a warrant by an agent or employee of the Texas Liquor Control Board, or by any peace officer, and any person found in possession or in charge thereof may be arrested without a warrant. No alcoholic beverages, containers, or any device in which such beverage is packaged so seized shall be replevied, but shall be delivered to the Board, to be held for the sale and deposit of proceeds in escrow as provided in Section 30 of Article I. Any such wagon, buggy, automobile, water or aircraft or any other vehicle so seized may be replevied by the owner thereof or lawful lienholder thereon upon execution by him of a good and valid bond with sufficient surety in a sum double the appraised value of the property replevied, which said bond shall be approved by said officer and shall be conditioned to return said property to the custody of said officer on the day of trial of any suit for the forfeiture of such property to abide the judgment of the court. In any such suit where the owner of the vehicle or the lienholder appears and contests the suit, the burden shall be on the State to prove that such owner or lienholder knowingly violated some provision of this Act; otherwise the court shall enter judgment for such owner or lienholder.

"(b) It shall be the duty of the Attorney General, the District Attorney, and the County Attorney, or any of them, when notified by the officer making the seizure, or by the Texas Liquor Control Board, that such seizure has been made, to institute a suit for forfeiture of the property seized and of the proceeds of the sale of the alcoholic beverages, containers, and devices in which such alcoholic beverages are packaged (referred to hereinafter as 'proceeds in escrow'), such suit to be brought in the name of the State of Texas against such property and proceeds in escrow in any court of competent jurisdiction in the county wherein such seizure was made. Notice of pendency of such suit shall be served on any person found in possession of the beverages or property at the time of seizure in the manner prescribed by law and the case shall proceed to trial as other civil cases. If no person be found in possession of the beverages or property, or if at the time suit is filed the where-

abouts of those in possession is unknown, notice shall be posted at the courthouse door in the county wherein the property was seized for a period of twenty (20) days. If upon the trial of such suit it is found that the alcoholic beverages were illicit, or that the vehicle was used for the transportation of illicit beverages, or that the equipment is designed to be used or is used for illicit manufacturing of beverages, or the material is to be used in the manufacturing of illicit beverages, then the court trying said cause shall render judgment forfeiting the property and proceeds in escrow to the State of Texas and ordering the same disposed of as provided for by Section 30 of this Article, or if in the opinion of the Board or Administrator any such property, except the proceeds in escrow, is needed for the use of the Board, then the same may be retained and so used until such time as such property is sold by the Board as provided herein. The costs of such proceedings shall be paid by the Board, out of funds derived under the provisions of said Section 30, or from any other fund available to the Board for such purpose.

"(c) As to any property or articles upon which there may be a lien, by a bona fide lienholder, the holder of such may intervene to establish his rights and shall be required to show such lien to have been granted in a bona fide manner and without knowledge of the fact at the time of creation of the lien, that any article or property upon which such lien exists has been used or was to be used in violation of this Act. If the holder of any such lien shall intervene, then the court trying said cause shall render judgment forfeiting the same to the State of Texas, and if such lien is established to the satisfaction of the court, said court shall authorize the issuance of an order of sale directed to the sheriff or any constable of the county wherein the property was seized, commanding such officer to sell said property in the same manner as personal property is sold under execution. The court may order such property sold in whole or in part as it may deem proper and the sale shall be conducted at the courthouse door. The money realized from the sale of such property shall be applied first to the payment of the costs of suit and expenses incident to the sale and

after such expenses have been approved and allowed by the court trying the case, then the further proceeds of such sale shall be used to pay all such liens according to priorities, and any remaining proceeds shall be paid to the Board to be allocated as provided in Section 30 hereof. All such liens against property sold under this Section shall be transferred from the property to the proceeds of its sale. In case such lien is not established to the satisfaction of the court the judgment shall be entered ordering same disposed of as provided in Subsection (b) of this Section.

"A lien on alcoholic beverages, containers thereof, and devices in which the alcoholic beverages are packaged will attach to the proceeds of their sale, which have been placed in escrow as provided in Section 30 of this Article I. The lien must be established as provided by this Subsection. Upon establishment of liens on the proceeds in escrow to the satisfaction of the court, the proceeds in escrow will be used to pay all such liens according to priorities. The remaining proceeds shall be disposed of as provided in Subsection (b) of Section 30 of this Article I.

"The sheriff, constable, or Texas Liquor Control Board executing said sale shall issue a bill of sale or certificate to the purchaser of said property, and such bill of sale or certificate shall convey valid and unimpaired title to such property."

Sec. 12. Section 22, Article II, Texas Liquor Control Act, as last amended by Section 19, Chapter 13, Acts of the 45th Legislature, First Called Session, 1937 (Article 667-22, Vernon's Texas Penal Code), is amended to read as follows:

"Section 22. Any order of the Board or Administrator cancelling a license shall have the effect that it shall immediately be unlawful, after notice thereof given, for the holder of such cancelled license to sell beer for a period of one year thereafter except during the period that the order of cancellation is superseded pending trial, or unless he shall prevail in any final judgment, rendered upon appeal as herein provided. Appeals from decisions or orders of the Board or Administrator cancelling, suspending or refusing a license may be had under the same conditions and provisions

prescribed in Section 14 of Article I of this Act.

"No appeal shall lie from an order suspending a retail dealer's license, except a license issued to the holder of a retail permit at the same location. No suit of any nature shall be maintained in any Court in this State seeking to restrain the Board or Administrator or any other officer from enforcing any order of suspension issued by the Board or Administrator; and if at any hearing thereon it be shown to the satisfaction of the Board or Administrator that any alcoholic beverage was sold on or from the premises covered by a license during the period of suspension, then such proof shall be sufficient to warrant cancellation of the license.

"The cancellation or suspension of any license shall not excuse nor relieve the violator from the penalties provided in this Article."

Sec. 13. Subsection (a-1), Section 3, Article II, Texas Liquor Control Act, as last amended by Section 2, Chapter 511, Acts of the 57th Legislature, Regular Session, 1961 (Article 667-3-(a-1), Vernon's Texas Penal Code), is amended to read as follows:

"(a-1) Nonresident Manufacturer's License. A Nonresident Manufacturer's License shall authorize the holder thereof to have his beer received in Texas only by holders of Importer's Licenses; such beer may be transported to any holder of an Importer's License by those carriers and vehicles authorized in Section 23 $\frac{1}{4}$, Article II, Texas Liquor Control Act, or in motor vehicle equipment owned or leased by Nonresident Manufacturers; and no holder of an Importer's License shall import beer into this State except from the holder of a Nonresident Manufacturer's License; provided that no beer shall be imported into this State except in accordance with the provisions of this Act, that is, in barrels, or other containers, and shall at no time be shipped into this State in tank cars; provided that the Texas Liquor Control Board shall have the same functions, powers and duties to adopt and enforce a standard of quality, purity and identity of malt beverages, and to promulgate all rules and regulations as shall be deemed necessary to fully safeguard the public health and to insure sanitary conditions in the manufacturing, purifying, bottling and rebottling of beer

under a Nonresident Manufacturer's License as apply to Manufacturers located within the State of Texas. The holder of a Nonresident Manufacturer's License is hereby made subject to the provisions of the Texas Liquor Control Act and to all rules and regulations of the Texas Liquor Control Board applicable to holders of Manufacturer's Licenses, and the Texas Liquor Control Board shall have the same power to suspend and cancel such Nonresident Manufacturer's License and otherwise levy and enforce penalties for infractions of the law or of the rules and regulations of the Board as is granted with respect to holders of Manufacturer's Licenses under the Texas Liquor Control Act. Any holder of a Nonresident Manufacturer's License desiring to transport beer into Texas to the holder of an Importer's License in motor vehicle equipment owned or leased by him shall not be primarily responsible for the payment of the tax thereon, which shall continue to remain the responsibility of the holder of the Importer's License, but nevertheless said Nonresident Manufacturer shall furnish to the Liquor Control Board whatever bond is required by the Board, in the manner that is required of the holder of an Importer's License, in whatever amount would, in the judgment of the Board, protect the revenue of the State as to the payment of the tax due thereon over any six week period. Any beer imported into this State for sale in this State in violation of this paragraph is hereby declared to be an illicit beverage.

"Annual State fee for a Nonresident Manufacturer's License shall be Five Hundred Dollars (\$500), and no county or city shall be entitled to a fee for the issuance thereof."

Sec. 14. The following parts of the Texas Liquor Control Act are repealed: Section 13, Article II, as last amended by Section 49, Chapter 448, Acts of the 45th Legislature, Regular Session, 1937 (Article 667-13, Vernon's Texas Penal Code); Subsection 6, Section 17, Article I, as last amended by Section 7, Chapter 543, Acts of the 51st Legislature, Regular Session, 1949 (Article 666-17(6), Vernon's Texas Penal Code); Subsection A(11), Section 19, Article II, as last amended by Section 13, Chapter 249, Acts of the 53rd Legislature, Regular

Session, 1953 (Article 667-19A(11), Vernon's Texas Penal Code); and Subsection B(14), Section 19, Article II, Texas Liquor Control Act, as last amended by Section 13, Chapter 249, Acts of the 53rd Legislature, Regular Session, 1953 (Article 667-19B(14), Vernon's Texas Penal Code).

Sec. 15. Subsection 2, Section 24-A, Article II, Texas Liquor Control Act, as last amended by Section 20, Chapter 543, Acts of the 51st Legislature, Regular Session, 1949 (Article 667-24-A2, Vernon's Texas Penal Code), is amended to read as follows:

"2. All outdoor advertising as herein defined is hereby prohibited within the State of Texas except as herein expressly provided:

"(a) The use of billboards or electric signs as herein defined having a surface of not less than one hundred and eighty (180) square feet is hereby authorized unless located or to be located in a manner contrary to the limitations imposed by this Act.

"(b) The holders of Retailer's Licenses or Permits are authorized to erect or maintain at their respective places of business One (1) sign only containing the words:

"If a Beer Retailer, the word 'Beer.'

"If a Beer Off-Premise Retailer, the word or words 'Beer' or 'Beer to go.'

"If a Wine and Beer Retailer, the word or words 'Beer,' 'Beer and Wine,' or 'Beer, Wine and Ale.'

"If a Wine and Beer Off-Premise Retailer, the word or words 'Beer,' 'Beer to go,' 'Beer and Wine,' 'Beer and Wine to go,' 'Beer, Wine and Ale' or 'Beer, Wine and Ale to go.'

"If the holder of a Package Store Permit, the word or words 'Package Store,' 'Liquors,' or 'Wines and Liquors,' and if also the holder of a Retail Dealer's Off-Premise License, the word or words 'Package Store,' 'Wines, Liquors and Beer,' or 'Wines, Liquors and Beer to go.'

"If the holder of a Wine Only Package Store Permit, the word 'Wine' or 'Wines,' and if also the holder of a Retail Dealer's Off-Premise License, the words 'Wines and Beer,' or 'Wine and Beer,' or 'Wine and Beer to go.'

"Such sign may be placed within or without the place of business so as to be visible to the general public. No such signs shall contain letters of greater height than twelve (12) inches, and no such sign shall contain any

wording, insignia or device representative of the brand or name of any alcoholic beverage. The Board or Administrator is hereby authorized to expand this provision to the extent of permitting a licensee to erect or maintain one (1) such sign at each entrance or side of a building occupied by a licensee and facing more than one street or highway.

"(c) The use of billboards, electric display signs or other signs to designate the firm name or business of any holder of a permit or license authorizing the manufacture, rectification, bottling or wholesaling of alcoholic beverages, when displayed at the place of business of such person is hereby authorized.

"(d) The use of alcoholic beverages or printed or lithographed material advertising alcoholic beverages inside a premise where there exists a permit or license to sell alcoholic beverages, when used as a part of a display, is hereby authorized, provided such alcoholic beverages or advertising material so used may not be placed within six (6) inches of any window or opening facing upon a street, alley or highway, and provided further that the term 'advertising material' as used in this Section shall not be construed to mean or include any card or certificate of membership in any association or organization, if such card or certificate is not larger than eighty (80) square inches.

"(e) the Board shall have the power and authority, and it is hereby made its duty, to adopt rules and regulations permitting and regulating the use of business cards, menu cards, stationery, and service vehicles and equipment and delivery vehicles and equipment bearing advertisement of alcoholic beverages, and permitting and regulating the use of insignia advertising beer by brand name on caps, regalia or uniforms worn by employees of a Manufacturer or Distributor or by participants in any game, sport or athletic contest or revue when said participants are sponsored by a Manufacturer or Distributor."

Sec. 16. Article I, Texas Liquor Control Act (Articles 666-1 through 666-57, Vernon's Texas Penal Code), is amended by adding a new Section 17(b), to read as follows:

"Section 17(b). (1) In considering any original application or renewal application for any permit authorized

to be issued under the terms of Article I of the Texas Liquor Control Act, except such permits as are specifically excluded by subparagraph (4) of this Section, the Board or Administrator may make such investigation or request such additional information as may be deemed necessary to enforce the provisions of this Section and to provide strict adherence to a general policy prohibiting the 'tied house' and related practices hereinafter declared to constitute unfair competition and unlawful trade practices. The term 'tied house' as used herein shall mean any overlapping ownership or other prohibited relationship between those engaged in the alcoholic beverage industry at different levels, that is, between a manufacturer and a wholesaler or retailer, or between a wholesaler and a retailer, as the words wholesaler, retailer, and manufacturer are generally used and understood, regardless of the specific designations used in Article I of the Texas Liquor Control Act for the various types of permits herein authorized to be issued.

"(2) In furtherance of the general anti-tied house and anti-subterfuge policy, it is specifically declared that:

"(a) It shall be unlawful for any person owning or having any interest in any permit issued under the terms of Article I of the Texas Liquor Control Act to secure or to hold, either directly or indirectly, any ownership or ownership interest in the business or stocks (including stock options, convertible debentures, or other similar interests) in a permit or the business of a permittee of a different level which maintains licensed premises in Texas.

"(b) It shall be unlawful for any person to act or serve as officer, director, or employee of the businesses of permittees of a different level.

"(c) It shall be unlawful for any permittee to own the premises, fixtures, or equipment of a permittee of a different level.

"(d) It shall be unlawful for any permittee to secure or in any manner to obtain the use of any premises, fixtures, or equipment on the credit of a permittee of a different level.

"(e) It shall be unlawful for any permittee to loan to, or by means of his credit to secure a loan for, any permittee of a different level. In the event that any permittee secures a

loan from any out-of-state source, there shall be a presumption of tied house or subterfuge, and the permittee securing such loan shall have the burden of showing that he has been guilty of no violation of this Section of the Texas Liquor Control Act.

"(f) It shall be unlawful for any permittee to enter, with any other permittee of a different level or with any other person or legal entity, into any conspiracy or agreement to control or manage, financially or administratively, directly or indirectly, in any form or degree, the business or interests of any other permittee of a different level.

"(g) It shall be unlawful for any permittee to enter, with any other permittee, into any profit-sharing agreement of any kind or any agreement relating to the repurchase of any assets or any agreement attempting to effectuate the shipment or delivery of any alcoholic beverage or beverages on consignment.

"(3) The Board or Administrator, upon the finding of any violation of law specified in any subparagraph or Subsection (2) above, shall cancel or suspend for a period of time not less than six (6) months the permit of the permittee or permittees involved. Any person who has held or who has had any interest of any kind in any permit which has been cancelled under the terms of this provision shall thereafter for a period of one (1) year be ineligible to hold or to have any interest of any kind in any permit which is authorized to be issued under the terms of this Act.

"(4) The provisions of this Section shall not be applied to any application for the renewal of any permit held by an applicant who was engaged in the legal alcoholic beverage business in this State under charter or permit prior to August 24, 1935, or to any application for renewal of either a Non-Resident Seller's Permit or a Wholesaler's Permit held by an applicant who was the holder of the same type of permit on January 1, 1941, and who has continuously since that date been the holder of such a permit."

Sec. 17. Article I, Texas Liquor Control Act (Articles 666-1 through 666-57, Vernon's Texas Penal Code), is amended by adding a new Section 21½, to read as follows:

"Section 21½. Tax Payment by Re-

porting System Under Bond or Special Order.

"A. The power granted to the Texas Liquor Control Board by Section 21, Article I, Texas Liquor Control Act, as heretofore amended, the same being that provision codified as Article 666-21 of Vernon's Texas Penal Code, to relax the provisions requiring the affixing of a stamp or stamps on each bottle or container of liquor at the time of 'first sale' as means of payment of the taxes levied, is hereby clarified and restricted to the extent that such power shall hereafter be exercised in conformity with the following provisions:

"1. Unless the Board by specific order requires the payment of taxes by the affixing of stamps to bottles or containers, any holder of a permit authorizing the importation into this State of any liquor, other than ale or malt liquor, shall pay the tax or taxes levied thereon by the laws of this State by the reporting system under bond in compliance with the following provisions:

"(a) The Board shall require of each holder of a permit authorizing the importation into this State of liquor a bond or bonds executed by the permit holder as principal and a surety company duly qualified and doing business in this State as surety, and said bond or bonds shall be made payable to the State of Texas and conditioned as the Board may require and approved by the Attorney General of Texas as to form. Said bond or bonds shall be in such amount as will adequately protect the State of Texas against the anticipated tax liability of the principal during any six (6) weeks' period.

"(b) The tax on liquor, other than ale or malt liquor, imported into this State shall become due and payable and shall be paid by the permit holder on or before the 15th day of the month following the month in which said beverage was imported into this State.

"(c) The tax shall be computed in accordance with the applicable provision or provisions in Section 21, Article I, Texas Liquor Control Act, and remittance therefor made payable to the State Treasurer shall be sent to the office of the Texas Liquor Control Board in Austin, Travis County, Texas, on or before the 15th day of the month due less two per cent (2%)

of the amount due which shall be withheld by the permit holder for the keeping of records, furnishing of bonds, and properly accounting for the remittance of the tax due; provided, however, that no allowance shall be granted or permitted when the tax is delinquent at the time of payment.

"(d) Such sworn statements of taxes due as may be required by the Board, and remittance therefor made payable to the State Treasurer, shall be forwarded to the Board each month not later than the due date set out herein. All such remittances shall be turned over by the Board to the State Treasurer for allocation in conformity with the terms of Section 46, Article I, Texas Liquor Control Act.

"(e) If any permit holder, in computing and paying the tax due, through oversight, mistake, error, or miscalculation, has paid more tax than is legally due, the permit holder who paid such excess tax shall be entitled to a refund thereof, and a claim for such refund may be made at the time and in the manner prescribed by the Board or Administrator, and such excess tax shall be refunded to the permit holder who has paid the same, or credit may be allowed on future tax payment. Refunds for overpayments of tax may be made by the Board from the revenues derived from the collection of the tax before the same has been allocated, and so much of such funds as may be necessary is hereby appropriated for that purpose.

"(f) The permit holder shall report to the Board each receipt of shipment of liquor, other than ale and malt liquor, for sale within this State, under the provisions of this Act, and shall prepare and furnish any such further information and such reports as may be required by rules and regulations of the Board.

"(g) In any suit brought to enforce the collection of any tax owed by a permit holder, a certificate by the Board or Administrator showing the deficiency shall be prima facie evidence of the levy of tax or the delinquency of the amount of tax and penalty set forth therein and compliance by the Board with all provisions of this Act in relation to the computation and levy of the tax.

"2. It is not intended that the tax levied in Section 21 of Article I of the Texas Liquor Control Act shall be

collected on liquor shipped out of this State for consumption outside this State or sold aboard ship for ship's supplies, and the Board shall provide forms for obtaining exemption from or credit for such taxes and shall provide by rule and regulation for equitable and final disposition of any tax credit brought about by such payment of any such unintended or excess tax.

"3. Every Wholesaler's Permit holder converting to payment of taxes by the reporting system under bond as specified in paragraph 1. above, shall on the effective date of this Act or at such date as may be specified by the Board, render and submit to the Texas Liquor Control Board at Austin, Travis County, Texas, a true and correct inventory of all liquors, other than ale or malt liquor, within his possession setting forth in detail the size of the containers and the quantity thereof and stating therein whether or not stamps have been affixed to the containers. The inventory shall also contain a statement as to the number of stamps which the permit holder may have on hand which have not been affixed to bottles or containers. The sworn inventory shall be rendered upon a form to be prescribed and furnished by the Texas Liquor Control Board. The value of any unused stamps may be refunded by the Board in the same manner as refunds are made under the circumstances specified in Section 45(d) of Article I of the Texas Liquor Control Act.

"B. The Board may, in any situation deemed by it to create an emergency or other circumstances which in its judgment would make it impractical to require the affixing of stamps, by order prescribe special rules for the payment of the tax in the specific situation under consideration.

"C. The tax levied and assessed on ale and malt liquor in accordance with the applicable provisions of Section 21, Article I, Texas Liquor Control Act, and as computed under the provisions of Section 33, Article II, Texas Liquor Control Act, and the tax levied and assessed in accordance with the applicable provisions of Section 23, Article II, Texas Liquor Control Act, and as computed under the provisions of Section 23½, Article II, Texas Liquor Control Act, shall be paid by a remittance therefor made payable to the State Treasurer and

forwarded to the office of the Texas Liquor Control Board in Austin, Travis County, Texas, on or before the due date, as provided in the Texas Liquor Control Act, less two (2%) percent of the amount due which shall be withheld by the permit or license holder for the keeping of records, furnishing of bonds, and properly accounting for the remittance of the tax due; provided, however, that no allowance shall be granted or permitted when the tax is delinquent at the time of payment."

Sec. 18. All laws or parts of laws in conflict with the provisions of this Act are repealed to the extent of such conflict only.

Sec. 19. If any provision, part, section, subsection, paragraph, sentence, clause, phrase or word of this Act or the application thereof to any person or circumstances is held unconstitutional and invalid, such decision shall not affect the validity of the remaining portions or applications of the Act which can be given effect without the invalid portion or application, and to this end the provisions of this Act are declared to be severable, and the Legislature hereby declares that it would have passed this Act and each provision, part, section, subsection, paragraph, sentence, clause, phrase or word thereof, irrespective of the fact that any provision is declared unconstitutional.

Sec. 20. Because of the present inadequate laws which make it difficult if not impossible to prevent sales of alcoholic beverages to persons under the age of twenty-one (21) years creates an emergency and an imperative public necessity, that the Constitutional Rule requiring bills to be read on three several days in each house be suspended, and this Rule is hereby suspended, and this Act shall take effect and be in force from and after the date of its passage, and it is so enacted.

The Committee Amendment was read.

Senator Bates offered the following amendment to the pending Committee Amendment:

Amend Senate Bill 27 by adding the word "a" between the word "by" and "surety" in the first sentence of Sec. 16 under Sec. 3 of the bill.

The amendment to the pending

Committee Amendment was read and was adopted.

Senator Bates offered the following amendment to the pending Committee Amendment:

Amend pending Committee Amendment to S. B. 27 by deleting the words and figures "One Hundred Dollars (\$100)." in the first sentence, Sec. 5 (14)(A) thereof and substituting the following:

"Two Hundred Dollars (\$200); and for the second and all subsequent offenses, not less than one Hundred Dollars (\$100) nor more than Five Hundred Dollars (\$500)."

The amendment to the pending Committee Amendment was read and was adopted.

Senator Bates offered the following amendment to the pending Committee Amendment:

Amend S. B. 27 by adding the words "except malt liquor and ale" between the words "liquor," and "who" in line 17, page 5 of the pending Committee Amendment.

The amendment to the pending Committee Amendment was read and was adopted.

Senator Bates offered the following amendment to the pending Committee Amendment:

Amend S. B. 27 by adding the word "a" between the words "of" and "violation" on line 29, page 5 of the pending Committee Amendment.

The amendment to the pending Committee Amendment was read and was adopted.

Senator Bates offered the following amendment to the pending Committee Amendment:

Amend S. B. 27 by adding the words "or Branch Distributor" after the word "Distributor" wherever it appears in Section 30 of the pending Committee Amendment.

The amendment to the pending Committee Amendment was read and was adopted.

Senator Bates offered the following amendment to the pending Committee Amendment:

Amend S. B. 27 by adding the words

"or Branch Distributor's" after the word "Distributor's" wherever it appears in Section 30 of the pending Committee Amendment.

The amendment to the pending Committee Amendment was read and was adopted.

Senator Bates offered the following amendment to the pending Committee Amendment:

Amend S. B. 27 by substituting the words "due at" in lieu of the words "sent to" in line 37, page 15, of the pending Committee Amendment.

The amendment to the pending Committee Amendment was read and was adopted.

The Committee Amendment as amended was then adopted.

On motion of Senator Bates, and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was passed to engrossment.

Senate Bill 27 on Third Reading

Senator Bates moved that Senate Rule 30 and the constitutional rule requiring bills to be read on three several days be suspended and that S. B. No. 27 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

The President then laid the bill be-

fore the Senate on its third reading and final passage.

The bill was read third time and was passed.

Record of Votes

Senators Grover, Aikin and Hazlewood asked to be recorded as voting "Nay" on the final passage of S. B. No. 27.

Senate Bill 430 on Second Reading

Senator Mauzy moved that Senate Rules 110, 13, and 36 and Section 5 of Article III of the State Constitution be suspended and that S. B. No. 430 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

The President laid before the Senate on its second reading and passage to engrossment:

S. B. No. 430, A bill to be entitled "An Act prohibiting the engaging in certain disruptive activities or disrupting a lawful assembly on the campus or property of private or public schools or institutions of higher education or public vocational and technical schools or institutes; prescribing certain penalties; and declaring an emergency."

The bill was read second time and was passed to engrossment.

Senate Bill 430 on Third Reading

Senator Mauzy moved that Senate Rule 30 and the constitutional rule

requiring bills to be read on three several days be suspended and that S. B. No. 430 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

Committee Substitute Senate Bill 173 on Second Reading

Senator Moore moved that Senate Rules 110, 13, and 36 and Section 5 of Article III of the State Constitution be suspended and that C. S. S. B. No. 173 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

The President laid before the Senate on its second reading and passage to engrossment:

C. S. S. B. No. 173, A bill to be entitled "An Act investing the Board of Directors of Texas A&M University with the sole and exclusive management and control of lands and mineral interests under its jurisdiction and that may be acquired by it; authorizing said Board of Directors to convey lands to other units and agencies of government; where not otherwise authorized by existing law so to do, to sell said lands or lease the surface thereof under such terms and conditions as it may deem best in the public interest; the Board of Directors may not, however, sell or otherwise dispose of any land comprising the original main campus of Texas A&M University located at College Station, Brazos County, Texas; providing for retention and disposition of the proceeds, authorizing said Board of Directors to purchase and lease land for the use of any Part of The Texas A&M University System when, in its judgment, such land should be acquired for the educational and service needs of any Part of The Texas A&M University System when funds are available for such purpose; making this Act cumulative; and declaring an emergency."

The bill was read second time and was passed to engrossment.

Committee Substitute Senate Bill 173 on Second Reading

Senator Moore moved that Senate Rule 30 and the constitutional rule re-

quiring bills to be read on three several days be suspended and that C. S. S. B. No. 173 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—30

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

House Bills on First Reading

The following bills received from the House, were read the first time and referred to the Committees indicated:

H. B. No. 242, To Committee on State Affairs.

H. B. No. 51, To Committee on Jurisprudence.

H. B. No. 336, To Committee on Jurisprudence.

H. B. No. 112, To Committee on State Affairs.

Memorial Resolutions

S. R. No. 276—By Senator Watson: Memorial resolution for Captain Joe Bush, Jr.

S. R. No. 277—By Senator Watson: Memorial resolution for Edward Kenneth Folley.

Welcome and Congratulatory Resolutions

S. R. No. 267—By Senator Word: Extending welcome to students and teachers of fifth grade class of Goodwin School of New Braunfels.

S. R. No. 268—By Senator McKool: Extending congratulations to fourth grade basketball team of the W. A. Blair Elementary School of Dallas on an undefeated season.

S. R. No. 269—By Senator McKool: Extending congratulations to sixth grade basketball team of the W. A. Blair Elementary School of Dallas on an undefeated season.

S. R. No. 270—By Senator Herring: Extending welcome to teacher and students of fifth grade class of Travis Heights Elementary School of Austin.

S. R. No. 271—By Senator Herring: Extending welcome to teachers and students of Creedmoor Bilingual Elementary School of Travis County.

S. R. No. 272—By Senator Watson: Extending welcome and privileges of the floor for the day to Clovis Neel, et al.

S. R. No. 273—By Senator Watson: Extending welcome to Walter Wells of Waco.

S. R. No. 274—By Senator Watson: Extending welcome to Jay Naman.

S. R. No. 275—By Senator Watson: Extending welcome to teachers and students of seventh grade of Mart High School.

S. R. No. 278—By Senator Watson: Extending welcome and privileges of the floor for the day to Woody Montgomery.

S. R. No. 279—By Senator Watson: Extending welcome to Thomas Cox of McGregor.

Adjournment

On motion of Senator Aikin the Senate at 12:19 o'clock p.m. adjourned until 10:00 o'clock a.m. tomorrow.

APPENDIX

Sent to Governor

March 11, 1969

S. C. R. No. 27

S. B. No. 94

THIRTY-THIRD DAY

(Wednesday, March 12, 1969)

The Senate met at 10:00 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present:

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Connally	Schwartz
Creighton	Snelson
Grover	Strong
Hall	Watson
Harrington	Wilson
Harris	Word

Absent—Excused

Kennard

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation.

On motion of Senator Aikin, and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

Leave of Absence

Senator Kennard was granted leave

of absence for today on account of important business on motion of Senator Mauzy.

Presentation of Guests

The President presented as guests of the Senate today former Representative and Mrs. Joe Burkett of Kerrville.

Message From the House

Hall of the House of Representatives

Austin, Texas,
March 12, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

H. B. No. 103, A bill to be entitled "An Act requiring that English shall be the basic language of instruction in all grade schools; providing the governing body of the school district or school may determine when, in which grades or classes, and circumstances instruction may be given bilingually; declaring State policy on bilingual instruction; amending Subdivision 1 of Article 2893, Revised Civil Statutes, 1925; repealing Article 288, Penal Code of Texas, 1925, as amended; repealing Article 298, Penal Code of Texas, 1925; and declaring an emergency."

H. B. No. 55, A bill to be entitled "An Act validating the incorporation of cities and towns heretofore incorporated or attempted to be incorporated under the general laws of Texas; validating the boundary lines thereof, as said boundaries may have been changed by ordinance since the original incorporation; validating governmental proceedings; providing certain limitations as to the application of the Act; providing a saving clause; and declaring an emergency."

Respectfully submitted,

DOROTHY HALLMAN,
Chief Clerk, House of Representatives

Reports of Standing Committees

Senator Blanchard submitted the following report:

Austin, Texas,
March 12, 1969.

Hon. Ben Barnes, President of the Senate.